

AGENDA ITEM



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the Mayor, on Behalf of the City Council, to Send a Letter of Opposition to Assembly Bill 2451 (Perez)

MEETING DATE: August 21, 2012

PREPARED BY City Clerk

RECOMMENDED ACTION: Authorize the Mayor, on behalf of the City Council, to send a letter of opposition to Assembly Bill 2451 (Perez).

BACKGROUND INFORMATION: At the August 15, 2012 City Council meeting, Council Member Johnson requested that staff set a special meeting to have the City Council consider sending a letter of opposition to **AB** 2451 (Perez).

As you may be aware, existing law specifies the time period within which various proceedings may be commenced relating to workers' compensation. With certain exceptions, a proceeding to collect death benefits is required to be commenced within one year from the date of death or, in some cases, from the last furnishing of benefits. However, no proceedings may be commenced more than 240 weeks from the date of injury. AB 2451 expands this timeline for firefighters and peace officers by allowing their beneficiaries to file a death benefits claim up to one year after the date of death without a limit on the period of time between the employee's exposure to and presumable death from heart disease, cancer, tuberculosis or blood borne pathogens. The League of California Cities and other municipal agencies are opposed to the proposed legislation because it will significantly increase workers' compensation costs at a time when local governments are struggling to provide vital services.

For these reasons, it is recommended that local governments oppose the proposed legislation.

FISCAL IMPACT: Not applicable at this time.

FUNDING AVAILABLE: Not applicable at this time.

A handwritten signature in black ink, appearing to read "Randi Johl", written over a horizontal line.

Randi Johl
City Clerk

APPROVED:

A handwritten signature in black ink, appearing to read "Konrad Bartlam", written over a horizontal line.
for Konrad Bartlam, City Manager

AMENDED IN ASSEMBLY APRIL 19, 2012

CALIFORNIA LEGISLATURE — 2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2451

Introduced by Assembly Member John A. Pérez
(Coauthor: Senator Vargas)

February 24, 2012

An act to amend Section 5406 of, and to add Section 5406.8 to, the Labor Code, relating to workers' compensation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2451, as amended, John A. Pérez. Workers' compensation: firefighters.

Existing law specifies the time period within which various proceedings may be commenced under provisions of law relating to workers' compensation. With certain exceptions, a proceeding to collect death benefits is required to be commenced within one year from the date of death or, in some cases, from the last furnishing of benefits. However, no proceedings may be commenced more than 240 weeks from the date of injury.

This bill would require that a proceeding to collect those benefits for the death of a firefighter *or peace officer* from specified medical conditions or diseases, including cancer and tuberculosis, be commenced within one year from the date of death.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5406 of the Labor Code is amended to
2 read:

3 5406. (a) Except as provided in Section 5406.5, 5406.6, or
4 5406.8, the period within which may be commenced proceedings
5 for the collection of the benefits provided by Article 4
6 (commencing with Section 4700) of Chapter 2 of Part 2 is one
7 year from any of the following:

8 (1) The date of death if death occurs within one year from date
9 of injury.

10 (2) The date of last furnishing of any benefits under Chapter 2
11 (commencing with Section 4550) of Part 2, if death occurs more
12 than one year from the date of injury.

13 (3) The date of death, if death occurs more than one year after
14 the date of injury and compensation benefits have been furnished.

15 (b) Proceedings under subdivision (a) shall not be commenced
16 more than one year after the date of death, nor more than 240
17 weeks from the date of injury.

18 SEC. 2. Section 5406.8 is added to the Labor Code, to read:

19 5406.8. In the case of the death of a firefighter *or peace officer*
20 from ~~an~~ injury, as defined in Section 3212, 3212.1, 3212.6, or
21 3212.8, the period within which proceedings may be commenced
22 for the collection of the benefits provided by Article 4
23 (commencing with Section 4700) of Chapter 2 of Part 2 is one
24 year from the date of death.



April 25, 2012

CALIFORNIA
STATE
ASSOCIATION OF
COUNTIES

The Honorable Jose Solorio
Chair, Assembly Insurance Committee
1020 N Street, Room 369
Sacramento, CA 95814



Re: AB 2451 (Perez, John A.): **Workers'** compensation: firefighters
As amended April 19, 2012 – **OPPOSE**
Set for Hearing May 2, 2012 – Assembly Insurance Committee

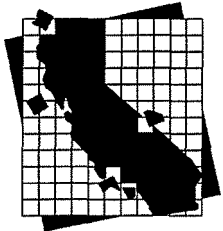
LEAGUE OF
CALIFORNIA
CITIES

Dear Assembly Member Solorio:



REGIONAL
COUNCIL OF
RURAL COUNTIES

The California State Association of Counties (CSAC), the Regional Council of Rural Counties (RCRC), the League of California Cities (LCC), the California Special Districts Association (CSDA) and the Association of California Healthcare Districts (ACHD) regret that we must **OPPOSE** AB 2451 by Assembly Speaker John A. Perez, which would extend the statute of limitations for a presumptive death benefit claim to be filed on behalf of a firefighter or peace officer.



Current law requires death benefit claims for workers' compensation to be commenced within one year of: the date of death when death occurs within one year from the date of injury; the date of the last furnishing of workers' compensation benefits when death occurs more than one year from the date of injury; or, the date of death when death occurs more than one year after the date of injury and workers' compensation benefits have been furnished. Current law additionally requires that no claims may commence unless the death has occurred within 240 weeks of the date of injury, except for claims involving death from asbestosis or HIV. AB 2451 expands this timeline for firefighters and peace officers by allowing their beneficiaries to file a death benefits claim up to one year after the date of death without a limit on the period of time between the employee's exposure to and presumable death from heart disease, cancer, tuberculosis or blood borne pathogens.



CALIFORNIA
SPECIAL
DISTRICTS
ASSOCIATION

We believe that liberal standards for public safety officers already allow employees to get fairly compensated on the basis of a disease presumption when that injury is presumed to have job causation. Additionally, the injuries covered in AB 2451 do not have the same close connection to work exposures as do asbestosis and HIV, making it nearly impossible for employers to refute the claim.



ASSOCIATION OF
CALIFORNIA
HEALTHCARE
DISTRICTS

AB 2451 would increase workers' compensation costs for counties alone by roughly \$60 million annually (based on an estimate of a \$20 million cost increase to Los Angeles County by the Los Angeles County Chief Executive Office Risk Management Branch) at a time when local governments are struggling to provide vital services. This bill also erodes the original intent of the Workers' Compensation Act and subsequent reforms to the system enacted in 2004, designed to provide fair and timely benefits to injured employees at a reasonable cost to employers.

For these reasons, the aforementioned organizations oppose AB 2451. Please do not hesitate to contact Eraina Ortega (CSAC) at 916/650-8180, Paul A. Smith (RCRC) at 916/447-4806, Natasha Karl (LCC) at 916/658-8279, Iris Herrera-Whitney (CSDA) at 916/442-7887 and Amber Wiley (ACHD) at 916/498-6233 should you have any questions or concerns.

cc: The Honorable John A. Perez, Speaker, California State Assembly
Members and Consultants, Assembly Insurance Committee